

Message Text

LIMITED OFFICIAL USE

PAGE 01 BRASIL 04969 191516Z

45

ACTION EB-07

INFO OCT-01 ARA-06 ISO-00 TRSE-00 EA-06 L-03 OMB-01

CIAE-00 INR-07 NSAE-00 SP-02 INRE-00 SSO-00 NEA-10

/043 W

----- 099823

O 191500Z JUN 75

FM AMEMBASSY BRASILIA

TO SECSTATE WASHDC IMMEDIATE 9893

LIMITED OFFICIAL USE BRASILIA 4969

E.O.11652: N/A

TAGS: EFIN, BR

SUBJECT: REQUEST FOR RELEASE OF BLOCKED VIETNAMESE FUNDS

REF: STATE 132738

PASS TREASURY DEPT. (FOREIGN ASSETS CONTROL)

1. EX-CHARGE OF SOUTH VIETNAMESE EMBASSY HAS PREPARED
BREAKDOWN OF ESTIMATED COSTS TO CLOSE DOWN OPERATION
OF EMBASSY IN BRASILIA. IN THE MEANTIME, ACCORDING
TO THE LOCAL BRANCH MANAGER OF THE FIRST NATIONAL
CITY BANK, EMPLOYEES OF FORMER SOUTH VIETNAMESE
EMBASSY NO LONGER HAVE THE LEGAL AUTHORITY TO WITHDRAW
FUNDS FROM THE SOUTH VIETNAMESE EMBASSY'S BLOCKED ACCOUNT
SINCE THE MINISTRY OF EXTERNAL RELATIONS HAS SENT
THE BANK INSTRUCTIONS INDICATING THAT THE ALGERIAN
EMBASSY HAS BEEN DESIGNATED AS THE REPRESENTATIVE
OF NEW SOUTH VIETNAMESE GOVERNMENT IN BRAZIL, WITH
RESPONSIBILITY FOR ALL ITS ASSETS AND LIABILITIES.
ALGERIAN EMBASSY HAS ALREADY MADE LOW-KEY APPROACH
TO FINATT ABOUT THE STATUS OF BLOCKED DOLLAR
ACCOUNT AND HAS APPROACHED THE LOCAL BRANCH OF
FIRST NATIONAL CITY BANK REQUESTING TO KNOW THE BALANCE
IN THE ACCOUNT.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 BRASIL 04969 191516Z

2. IF THE LOCAL BRANCH MANAGER OF FIRST NATIONAL CITY BANK IS CORRECT THAT EMPLOYEES OF FORMER EMBASSY NO LONGER HAVE THE LEGAL AUTHORITY TO WITHDRAW FUNDS FROM THE BLOCKED ACCOUNT, THEN THE PROBLEM ARISES AS TO HOW TO PROCEED IN ORDER TO PAY OUTSTANDING OBLIGATIONS OF FORMER EMBASSY ESPECIALLY STAFF SALARIES FOR APRIL-JUNE PERIOD. EMBASSY OF COURSE IS ACTING ON THE BASIS THAT ALGERIAN EMBASSY, AS REPRESENTATIVE OF NEW SOUTH VIETNAMESE GOVERNMENT, HAS NO CLAIM ON BLOCKED DOLLAR ACCOUNT. THE MINISTRY OF EXTERNAL RELATIONS HAS TOLD US THAT IT IS NOT REPEAT NOT PREPARED TO INVOLVE ITSELF IN ANY WAY IN THIS MATTER.

3. ACTION REQUESTED: IS THE LOCAL MANAGER OF FIRST NATIONAL CITY CORRECT THAT EMPLOYEES OF FORMER EMBASSY LOST THE AUTHORITY TO WITHDRAW FUNDS FROM THE BLOCKED DOLLAR ACCOUNT (WHICH AFTER ALL IS IN NEW YORK) WHEN ALGERIA WAS OFFICIALLY DESIGNATED AS REPRESENTATIVE OF SOUTH VIETNAMESE GOVERNMENT? IF SO, HOW SHOULD WE PROCEED? DOES THE DEPARTMENT AND/OR TREASURY HAVE SUGGESTIONS ON HOW TO HANDLE THIS MATTER? SINCE THE FOUR EX-SOUTH VIETNAMESE DIPLOMATS INVOLVED HAVE PERSONAL ACCOUNTS IN NEW YORK BANKS COULD THE MONEY TO BE RELEASED FOR THEIR APRIL-JUNE SALARY BE TRANSFERRED DIRECTLY INTO THEIR U.S.- HELD PERSONAL ACCOUNT? CRIMMINS

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BLOCKED ASSETS, WAGES, FOREIGN ASSETS CONTROLS, DIPLOMATIC MISSION CLOSING
Control Number: n/a
Copy: SINGLE
Draft Date: 19 JUN 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975BRASIL04969
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750214-0051
From: BRASILIA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750632/aaaabcsb.tel
Line Count: 87
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 75 STATE 132738
Review Action: RELEASED, APPROVED
Review Authority: MorefiRH
Review Comment: n/a
Review Content Flags:
Review Date: 04 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <04 SEP 2003 by WorrelSW>; APPROVED <04 SEP 2003 by MorefiRH>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: REQUEST FOR RELEASE OF BLOCKED VIETNAMESE FUNDS
TAGS: EFIN, BR
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006